



J. TYLER McCAULEY  
AUDITOR-CONTROLLER

**COUNTY OF LOS ANGELES  
DEPARTMENT OF AUDITOR-CONTROLLER**

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April 7, 2006

TO: Mayor Michael D. Antonovich  
Supervisor Gloria Molina  
Supervisor Yvonne B. Burke  
Supervisor Zev Yaroslavsky  
Supervisor Don Knabe

FROM: J. Tyler McCauley   
Auditor-Controller

**SUBJECT: DEPARTMENT OF PARKS AND RECREATION REVENUE AGREEMENT  
AUDITS**

The Department of Parks and Recreation (DPR) requested financial/compliance audits of their revenue agreements with four golf courses and one equestrian center. We contracted with Mayer Hoffman McCann P.C. to perform the audits to determine whether the contractors properly reported their gross receipts and paid the correct rent to the County.

The audits disclosed that two of the contractors owed additional rent to the County totaling \$51,196. Mayer Hoffman McCann P.C. met with DPR and each contractor to discuss the results of the audits. DPR has begun collection of the additional rent owed to the County. The remaining three contractors properly reported their gross receipts and paid all rent due.

Attached is a summary of the audits and the amounts owed to the County. If you would like to review any of the individual reports, please call Jim Schneiderman at (626) 293-1101.

JTM:MMO:JLS:MR  
Attachment

c: David E. Janssen, Chief Administrative Officer  
Joanne Sturges, Acting Executive Officer  
Russ Guiney, Director, Parks and Recreation  
Public Information Office  
Audit Committee

*"To Enrich Lives Through Effective and Caring Services"*

**DEPARTMENT OF PARKS AND RECREATION  
FINANCIAL/COMPLIANCE AUDITS OF REVENUE AGREEMENTS  
FISCAL YEAR 2004-05**

<b>Facility</b>	<b>Agreement Type</b>	<b>Due to County</b>	
Marshall Canyon Golf Course	Lease	\$50,877	(1)
Whittier Narrows Equestrian Center	Concession	\$319	(2)
El Cariso Golf Course	Lease	0	
Victoria Golf Course	Lease	0	
Lakewood Golf Course	Lease	0	
<b>TOTAL</b>		<b>\$51,196</b>	

- (1) The contractor deferred their July 2005 rental payment to the Department due to an issue with a capital improvement project. The Department is working with the contractor to resolve this issue.
- (2) The contractor underpaid rent due to variances in revenue amounts reported to the County and in the revenue amounts recorded in the contractor's accounting records.